

October 27, 2008

Craig S. Trueblood  
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**FOR SETTLEMENT PURPOSES ONLY**

Mr. Clifford Villa  
Assistant Regional Counsel  
United States Environmental Protection Agency  
1200 Sixth Avenue, Suite 900, ORC-158  
Seattle, WA 98101

Re: Wallace Yard and Spur Lines, Shoshone County, Idaho

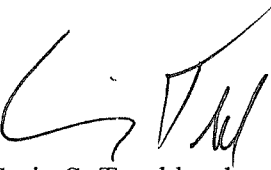
Dear Cliff:

As you know, we represent BNSF Railway Company regarding the above matter. BNSF received EPA's October 1, 2008, "Notice of Potential Liability and Use of Special Notice Negotiation Procedures." This letter confirms that BNSF will participate in future negotiations and is currently preparing a good faith offer which we intend to submit by November 30.

Please call if you have any questions.

Very truly yours,

K&L GATES LLP

By   
Craig S. Trueblood

cc: Pamela Nehring, BNSF  
Bruce Sheppard, BNSF